

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	SB1497
Version:	SUBPCS1
Request Number:	
Author:	Rep. Archer
Date:	4/3/2024
Impact:	Unknown decrease in revenue

Research Analysis

The subcommittee substitute for SB1497 increases the annual cap for the biomedical research institute contribution tax credit from \$1 million to \$1.5 million and decreases the cap for the cancer research institute tax credit from \$1 million to \$500,000.

The measure also increases the credit amounts for taxpayer donations beginning tax year 2025.

For the biomedical research institute tax credit, the maximum credit will be \$1000 for single filers or \$2000 for joint filers. For the cancer research institute tax credit, the maximum credit is \$1000 for single filers, \$2000 for joint filers and \$25,000 for corporate filers.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, SB1497 proposes to amend the income tax credits allowed for a taxpayer that makes a donation to certain biomedical and cancer research centers.

Analysis by the Oklahoma Tax Commission:

Analysis: Effective for tax year 2025 and subsequent tax years, the credit percentage for donations to cancer research institutes and for donations to biomedical research institutes is adjusted annually so that the total estimate of credits does not exceed \$500,000 and \$1.5 million, respectively. The related adjustment formula is modified to 50% of the credit cap divided by credits claimed in the *preceding* year.² If total authorized credits for tax year 2025 and subsequent tax years exceed \$500,000 for a cancer research institute or \$1.5 million for a biomedical research institute, the OTC will permit any excess but will factor such excess into the percentage adjustment formula for subsequent years.

Also, this measure amends the maximum amount of credit allowed:

Filing Status	Single	Married Filing Jointly	Head of Household	Qualifying Widow	Business Entity
Current Law	\$ 1,000	\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000
Proposed Law for Biomedical Credit	\$ 1,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 25,000
Proposed Law for Cancer Credit	\$ 1,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ -

Prepared By: Zach Penrod, House Fiscal Staff

Other Considerations

None.

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